

A New *Priority*

When we launched *Priority* as a custom-published magazine back in 2003, Pitney Bowes had a number of specific goals.

We knew we wanted to communicate with our customers; we knew we wanted to enhance their loyalty to us as a company; and we knew we wanted them to come to view us as an ally and a resource in their efforts to run their small businesses more effectively.

We knew that if we accomplished these goals we would keep more customers and perhaps attract some new ones, as well.

All of our goals were contingent on the quality of the product, of course. We were convinced that our magazine needed to speak very specifically to the needs and challenges involved in running a small business.

Pitney Bowes turns its custom-published magazine into a new business-platform.

The basic custom proposition actually is pretty simple: Give your customers editorial material of genuine value, presented with journalistic integrity, and they will be far more willing to listen to you when you present them with products of your own.

While we certainly wanted our customers to know that the magazine was coming from us, we also wanted our customers/readers to trust that the information and advice we were offering them was completely unbiased. It was imperative that our stories were written with the highest journalistic standards — and with a design to match.

Because the content is relevant and demonstrates a clear understanding of the issues of greatest importance to our customers, they are far more receptive to our products and services than would otherwise be the case. There is nothing “underhanded” about this, because to the extent that there is any “selling” in *Priority*, it is done very openly and straightforwardly.

The effect is a bit like getting a recommendation from a friend, as opposed to an impersonal direct-mail piece. Human nature being what it is, the friend is going to get far more serious consideration.

A COVETED CUSTOMER BASE

We also knew that our customer base of small-business owners was one much coveted by advertisers and I was convinced that, if packaged and presented properly to the media-buying community, *Priority* could attract some serious advertising dollars.

It was, however, a challenge to persuade the advertising industry to embrace custom publishing because their media buying has tended to remain focused on more traditional print vehicles. But after a great deal of work and some solid supporting research, *Priority* now attracts an array of major advertisers that any magazine would be proud to have on its pages.

Some of our biggest allies in this effort have been the corporate advertisers themselves — many of whom are increasingly skeptical about the “selling power” of traditional media and hence more receptive to the highly targeted custom-publishing approach.

Not every custom publication will have the kind of sought-after difficult-to-reach readership so attractive to the advertising industry, of course. But I sincerely believe that custom publishing as a category will continue to attract increasing advertising dollars in the years ahead.

Ultimately, however, we simply wanted our readers to come to trust Pitney Bowes as a source of information that is as reliable as any of the traditional magazines currently available to them on the newsstand.

Four years later, we are more persuaded of our basic propositions than ever. We’ve enhanced our brand and retained more customers. We’ve also created a well-written and designed magazine that does a lot of good for our customers — providing them with a wealth of useful information to assist them in the day-to-day operations of their businesses, as well as enhancing their personal lives.

For us, the biggest reason to consider custom publishing in the first place was also the simplest one: We knew our customers would thank us for it. And they have.



A NEW PLATFORM

For many companies, these basic but important brand-building and customer-retention goals may be the only realistic expectations they would have of a custom-publishing program.

But we began to see an opportunity to move beyond these goals and transform our custom publishing effort into a legitimate source of revenue—a new *business-platform* if you will—for Pitney Bowes.

Almost from the beginning, we were aware that a host of other companies were faced with the same challenges as we were in searching for new and innovative ways to communicate with their customers.

With consumers now overloaded with messages from a bewildering array of media, the need has never been greater to find ways to cut through the clutter and reach customers with well-targeted content. For more and more companies, custom publishing is attracting interest.

In 2005, companies spent \$45.8 billion on custom publishing, with such spending seeing double digit increases for three consecutive years (custom publishing and the Internet are the two fastest growing media sectors).

In a recent survey of CMOs, 41 percent reported the shifting of marketing funds in the past year away from traditional media and towards custom media; 72 percent of all respondents saw genuine value in the service provided by custom publications.

As we began having conversations with our corporate partners, we saw an opportunity to leverage the content we were developing for *Priority* to answer the needs of other companies with similarly substantial small business customer bases.

Within the last three years, we have developed custom magazines for Sage Software and Bank of America, substantially based on the *Priority* platform.

To achieve that, we've had to learn just how "custom" custom can be. Through the hard work of our editorial and publishing teams, we've had to



fashion very different magazines for the varied needs of our partners. But in the end, we've successfully helped both Sage Software and Bank of America achieve their goals.

They get a high-quality magazine to send their customers—one that assists in the tasks of brand building and customer retention—as well as an opportunity to cross-sell and up-sell their products and potentially to shift existing customers from one line of business into a more lucrative line.

Two additional factors loom large in the eyes of our corporate partners: price and ease of execution. By repurposing content from *Priority* and leveraging our large printing and

paper contracts (1,400,000 copies currently printed every other month), we are able to offer a price far lower than our partners would be able to achieve on their own.

In fact, it is very feasible for these custom publications to be self-funding through their existing partners advertising commitments. And by offering them an existing publishing and editorial team able to create customized covers and additional original edit where desired, we relieve our partners of the burden of assembling or hiring those teams themselves.

The end result is a turnkey operation that achieves all the same goals any of our partners would have achieved with a stand-alone magazine of their own.

I strongly believe that the potential of custom publishing is just beginning. At Pitney Bowes, we are looking forward to finding new and creative ways to extend our efforts and broaden the business platform we've created with custom publishing for years to come. ■



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